

Assembly Bill No. 1879

Passed the Assembly August 12, 2010

Chief Clerk of the Assembly

Passed the Senate August 9, 2010

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2010, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 737.1 to the Public Utilities Code, relating to utility charges.

LEGISLATIVE COUNSEL'S DIGEST

AB 1879, Beall. Electrical and gas corporations: collection of charges.

The California Constitution establishes the Public Utilities Commission, with jurisdiction over all public utilities, including electrical corporations and gas corporations, as respectively defined. Existing law authorizes the commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. An existing decision of the commission governs retroactive billing by gas corporations and electrical corporations and imposes a 3-year limit on utility billing adjustments for meter and billing errors for commercial customers.

This bill would require the commission to reconsider that decision and, if it has not done so in a proceeding by January 1, 2011, open a proceeding to examine whether the 3-year limit on billing adjustments for meter and billing errors is an appropriate timeframe for small commercial customers of gas corporations and electrical corporations.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) In 1986, the Public Utilities Commission issued Decision 86-06-035, an order establishing procedures for retroactive billing by gas corporations and electrical corporations.

(b) Under Decision 86-06-035, if a commercial customer is undercharged, gas corporations and electrical corporations may render an adjusted retroactive bill for the undercharged amount for up to three previous years.

(c) Decision 86-06-035 makes no distinction between small commercial customers and corporations for purposes of the retroactive billing procedures.

(d) Under Decision 86-06-035, the retroactive billing limit for residential customers is three months.

(e) It is the intent of the Legislature to call on the Public Utilities Commission to reexamine the allowable timeframe that gas corporations and electrical corporations have to collect an erroneous bill, derived from a faulty meter or bill, for small commercial customers.

SEC. 2. Section 737.1 is added to the Public Utilities Code, to read:

737.1. The commission shall reconsider Decision 86-06-035 of the commission. If the commission has not reconsidered that decision in a proceeding on or before January 1, 2011, the commission shall open a proceeding to examine whether the three-year limit on billing adjustments for meter and billing errors is an appropriate timeframe for small commercial customers of gas corporations and electrical corporations.

Approved _____, 2010

Governor